ANNUAL REPORT

for the fiscal year
ending March 31, 1988

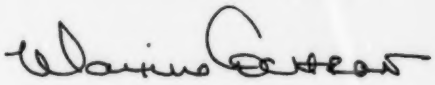
Department of Consumer Affairs

His Honour
The Honourable Lloyd R. Crouse, P.C.
Lieutenant-Governor
Province of Nova Scotia

May It Please Your Honour:

I have the honour to present to you the Annual Report of the Department of Consumer Affairs for the fiscal year ending March 31, 1988.

Respectfully submitted,



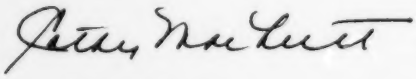
Maxine Cochran
Minister

The Honourable Maxine Cochran
Minister of Consumer Affairs
Province of Nova Scotia
Halifax, Nova Scotia

Madam:

I take pleasure in presenting to you a report of the activities of the Department of Consumer Affairs for the year ending March 31, 1988.

Respectfully submitted,



Cathy MacNutt
Deputy Minister

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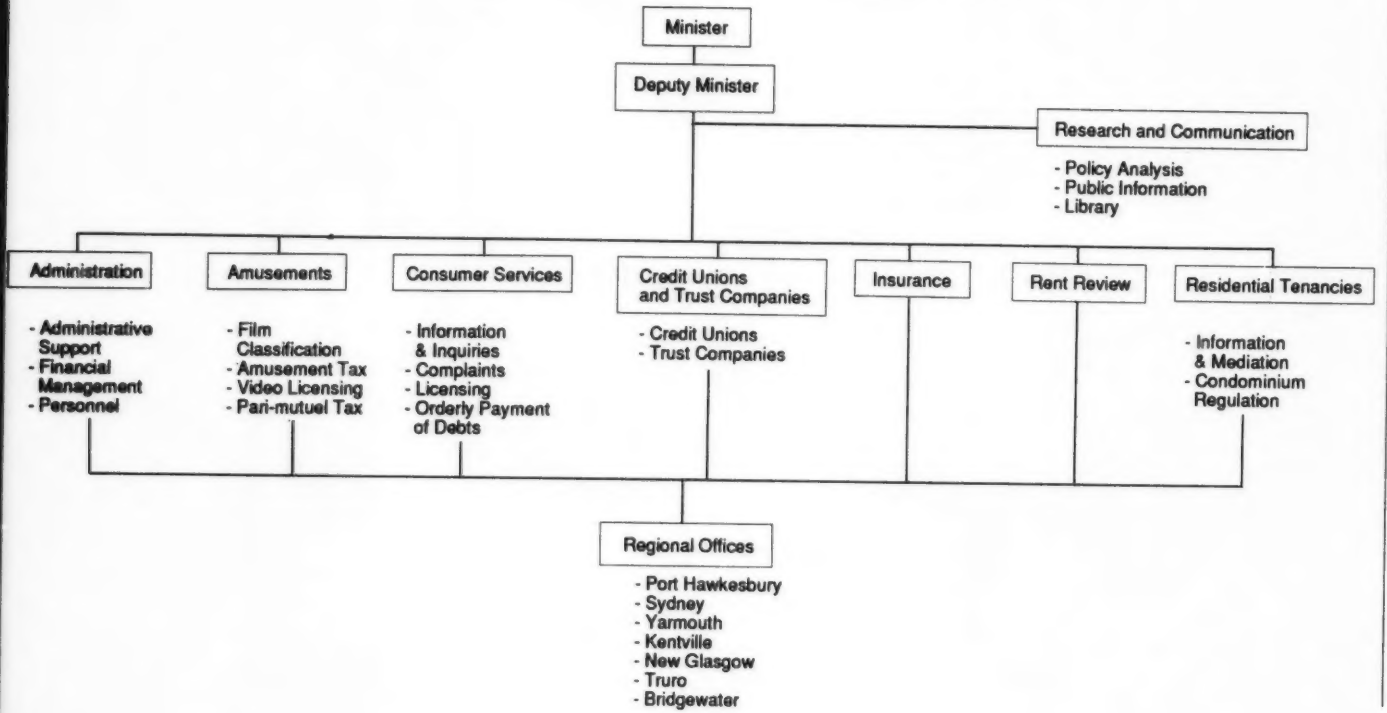
NOVA SCOTIA DEPARTMENT OF CONSUMER AFFAIRS



ACTS ADMINISTERED BY THE DEPARTMENT OF CONSUMER AFFAIRS

- The Cemetery and Funeral Services Act
- The Collection Agencies Act
- The Condominium Act
- The Consumer Creditors Conduct Act
- The Consumer Protection Act
- The Consumer Reporting Act
- The Consumer Services Act
- The Credit Union Act
- The Direct Sellers' Licensing and Regulation Act
- The Embalmers and Funeral Directors Act
- The Instalment Payment Contracts Act
- The Insurance Act
- The Insurance Premiums Tax Act
- The Loan Companies Inspection Act
- The Mortgage Brokers and Lenders Registration Act
- The Mutual Insurance Companies Act
- Part X of the Bankruptcy Act (Federal)
- The Public Accountants Act
- The Real Estate Brokers' Licensing Act
- The Rent Review Act
- The Rental Property Conversion Act
- The Residential Tenancies Act
- The Tax Rebate Discounting Act (Federal)
- The Theatres and Amusements Act
- The Trust Companies Act
- The Unconscionable Transactions Relief Act

GENERAL SUMMARY

From the introduction in Nova Scotia of the first consumer legislation in Canada in the mid-1960's through to the formation of a fully autonomous Department of Consumer Affairs in 1975—to the present day—the department continues to promote integrity in the marketplace.

This is accomplished through encouragement to both consumer and business to maintain an awareness so each will have a better understanding of their own and each other's rights and responsibilities.

In other words, the department has a mandate to promote and create an environment of fairness and trust between buyer and seller, borrower and lender, tenant and landlord, audience and entertainer.

It develops and promotes consumer competency in the exchange of goods and services and also ensures that basic standards in the marketplace are upheld.

The 1987-88 fiscal year saw a continued increase in requests for information and services from both the consumer and corporate communities of Nova Scotia. In statistical terms, the department's offices received approximately 159,535 telephone calls. Visitors to our various offices numbered approximately 23,410. When combined, the activity represented an average of 755 daily contacts with our offices, excluding mail received.

The department administers 24 provincial and two federal statutes. Although the department must administer the regulatory aspects of the legislation, this is accomplished in a major way by providing information to consumers and businesses alike, thus decreasing the requirement for enforcement.

The department has seven divisions: Administration; Amusements Regulation; Consumer Services; Credit Unions and Trust Companies; Insurance; Rent Review; and Residential Tenancies. Each division with the exception of Administration, is responsible for the direct application of assigned statutes. Information on all our legislation has been made available through our various regional offices.

ADMINISTRATION DIVISION

At the centre of the department is the Administration Division. It prepares and controls budgets; establishes economical utilization of space and equipment; serves as a liaison with other government departments such as Government Services and the Civil Service Commission; and provides a research and communications resource to its fellow divisions, as well as other departments and the public.

Research and Communications provides research and policy analysis, publishes consumer information material, and maintains an expanding library facility for staff and the public.

The division continues to have an interest in—and is supportive of—the various groups operating in the private sector, and participates in seminars and displays in cooperation with these groups. In the fiscal year the division provided $3,500 in the form of a grant to assist the Nova Scotia branch of the Consumers' Association of Canada in its activities.

AMUSEMENTS REGULATION DIVISION

The Amusements Regulation Division is responsible for the classification of film for conventional 35 mm theatres and the video rental industry. The division also licenses, and collects tax from various places of amusement and cable television services.

Classification

The mandatory classification program affecting the video rental industry became fully operational in 1987/88. We were pleased that the Prince Edward Island government approved a similar format and adopted our research, and our format, for use in their program. Several other provinces have also indicated interest in using the Nova Scotian system.

Video films submitted for classification increased by about 65 per cent over the last year. The policy is fully supported by the industry nationally, and has strong support from the majority of the industry in Nova Scotia.

Licensing and Tax Collection

The division issues licenses for theatres, projectionists, film exchanges, video outlets, itinerant shows, race tracks, festivals, rinks, arcades, pool halls, bowling lanes, bingo halls, go-cart tracks and amusement parks.

The number of video outlets in the province grew from 915 to 1,076. The conventional film theatre industry has been relatively buoyant. It is expected that in excess of ten new screens will open in early 1989.

Ownership of the Truro Raceway shifted from Truro Raceway Incorporated to the Nova Scotia Provincial Exhibition Commission, leaving a debt to the province of approximately $180,000. Investigation into the operation of the raceway by Truro Raceway Incorporated is ongoing.

On February 1, 1988, the Amusements Division computerized licensing with anniversary renewal. The overall industry realized an 8.5 per cent increase in attendance and an 11 per cent increase in amusement tax revenue.

CONSUMER SERVICES DIVISION

The Consumer Services Division has three distinct sections: business practices, debtor assistance and regulated industries.

The business practices section processed 17,480 consumer complaints and enquiries in the 1987-88 fiscal year. In addition, more than 200 lectures, mall displays and other public information activities were undertaken by staff of the section.

The debtor assistance section provided financial counselling to 2,915 households and administered 1,228 consolidation orders issued under the Orderly Payments of Debts Provisions, Part X of the Federal Bankruptcy Act. A total of 551 new consolidation orders were issued and 512 referrals to bankruptcy were made during this fiscal period. There was a noticeable increase in the total number of consolidation orders issued during the year.

The regulated industries section processed 6,314 licences and registrations in 1987-88. There were 1,096 applicants examined as part of the qualification for licences. The licensing program administered by the division includes industries such as real estate and mortgage brokers, collection agencies, direct sellers, funeral homes, cemeteries, consumer reporting agencies and consumer lending institutions.

Revenue of $202,824.74 in licensing, registration and examination fees was earned through the regulated industries section during the year.

Approximately $293,356 in savings to consumers are directly attributable to assistance provided by staff of the Consumer Services Division.

The regulated industries section became involved in the forfeiture of one bond posted by a licensee under the Direct Sellers' Licensing & Regulation Act. The proceeds of this bond are being held until the expiry of the claim period, at which time claims will be paid.

The regulated industries section continued with its increased enforcement activity. A total of 164 person days were spent conducting investigations and audit inspections. Some of these involved cooperation with other enforcement agencies. These investigations and audit inspections resulted in a number of disciplinary hearings and a variety of remedial actions being taken.

Three inspections were conducted under the Direct Sellers' Licensing & Regulation Act and in two cases the firms have signed Assurances of Voluntary Compliance in light of the contraventions of the legislation detected. The third matter should be resolved in the same manner in the near future. One inspection was conducted under the Collection Agencies Act, and several investigations arose from complaints against licensed collection agencies. These matters are currently being dealt with by the regulated industries section.

An inspection under the Real Estate Brokers' Licensing Act disclosed numerous contraventions of the Act and its Regulations primarily relating to trust account irregularities. A hearing before the Superintendent of Real Estate was held and the licence of the broker was suspended.

Staff also cooperated with another enforcement agency in the investigation of the practices of real estate salespersons, mortgage brokers and lenders and other professional groups relating to mortgage financing. Criminal charges have been laid against three individuals as a result of this investigation.

An investigation was carried out by staff with respect to the activities of a salesperson licensed under the Real Estate Brokers' Licensing Act as a result of a consumer complaint alleging unethical practices. The Superintendent suspended the license of the salesperson for a period of time.

The section also conducted inspections under the Mortgage Brokers and Lenders Registration Act, the Consumer Protection Act, and the Cemetery and Funeral Services Act. A funeral home was inspected under the Embalmers and Funeral Directors Act. Appropriate action was taken in each case.

The regulations made under the Real Estate Brokers' Licensing Act were amended in September 1987 to give effect to an industry-administered real estate assurance fund to replace the previous surety bond provisions. All real estate brokers and salespersons are required to be registered with the assurance fund as a precondition of licensing. The assurance fund provides consumers with increased protection. The costs to industry are comparable to the costs associated with the previous surety bond requirements. Nova Scotia is the third province to introduce an assurance fund provision.

CREDIT UNIONS AND TRUST COMPANIES DIVISION

The Credit Unions and Trust Companies Division has the responsibility of administering the Credit Union Act and the Trust Companies Act. It is the chief regulator of deposit-taking financial institutions that are incorporated in Nova Scotia.

Credit Unions

The division provides an inspection service to the credit unions of the province. This is intended to provide members with an independent review of the operations of their credit union and to ensure compliance with the provisions of the Credit Union Act. Inspections are usually carried out on an unexpected basis, although they are sometimes requested by the credit union.

There were 104 credit unions operating in the province as of December 31, 1987. These credit unions had total membership of 159,813 people and combined assets of $391 million. Assets grew by $50 million during 1987 and this represents a growth rate of 14.7 per cent which compares quite favorably to the growth rate of credit unions nationally as well as other deposit-taking institutions.

All credit unions were fully inspected during the year. In addition, the division maintained its program of partial and follow-up inspections where problems were identified.

During 1987 one new credit union was incorporated, two were amalgamated with others and one credit union was dissolved. The total number of credit unions decreased to 104 from 106 as a result. The remaining 104 credit unions include 77 that are community based, 21 that are occupational, five that are parochial and one that is based on the membership of a co-operative organization.

In the carrying out of its responsibilities, the division liaises with the Credit Union Central of Nova Scotia and the Nova Scotia Credit Union Stabilization Fund Board, which administers the deposit protection fund for the credit unions in the province.

Trust Companies

At March 31, 1988 there were five trust companies incorporated in the province that are subject to the Trust Companies Act. Four of the companies are in operation and one has not commenced business.

One company, Confed Trust Company, is a full service trust company and is a member of the Canada Deposit Insurance Corporation (CDIC). Two companies, Keltic Trust Company and Global Trust Company, operate on a limited basis. They are not members of the CDIC and so they are unable to accept deposits. Acadia Trust Company, which has been incorporated since 1920, has reduced its operations so that it does not accept deposits or carry on any material business. Citadel Trust Company was incorporated in 1987 but has not, as yet, made application to commence business.

The four operating companies had combined assets of $181.3 million at December 31, 1987. Total liabilities of $160.5 million include deposit liabilities of $135.7 million. Capital and retained earnings were $46,000. Asset and liability figures are up very substantially over the previous year due solely to the growth of Confed Trust Company.

During the year the Halifax Trust Company changed its name to the Confed Trust Company.

INSURANCE DIVISION

The Insurance Division is responsible for the administration of the Insurance Act, the Insurance Premiums Tax Act and the Mutual Insurance Companies Act.

There were 301 insurance companies transacting business in Nova Scotia, of which 111 were life insurers. A total of 3,299 agents were licensed by the division, resulting in the collection of $75,178 in license fees.

The division handled 1,869 consumer inquiries, 1,023 industry inquiries and 189 consumer complaints.

The division collected $15,321,480 in premium tax and $1,486,176 in fire prevention tax during the year.

During 1987-88, the division continued to participate in on-going discussions on the formation of national compensation funds that would protect the public against losses incurred if an insurer became insolvent. It is anticipated that a property and casualty insurance compensation plan will be in place January 1, 1989 and will be followed by a life compensation plan on or about the same time.

Due to the levelling out of the liability insurance market the Canadian Insurance Exchange, which was in the discussion and formation stage, was not found feasible especially with the softening of the re-insurance market worldwide.

The 70th annual meeting of the Canadian Council of Superintendents of Insurance was held in Charlottetown, Prince Edward Island and was attended by members of the division.

RENT REVIEW DIVISION

The Rent Review Division is responsible for the administration of the Rent Review Act. The Act provides for a review of all rent increases exceeding the annual percentage guidelines, as well as all discontinued services.

The rent review process is initiated by landlords through the filing of a rent increase application which exceeds the annual percentage guideline. Landlords must file property and financial information with the division in support of the application, and tenants are given an opportunity to review the information and offer their comments. A tenant may initiate the process through a complaint of an unauthorized rent being collected. A Rent Review Officer renders a decision which is sent to both the landlord and tenant(s). Either party has fifteen days in which to request a review by the Rent Review Commission of the decision of the Officer.

The total rent increase applications (units) processed during the 1987 calendar year was 38,626. Of these, 14,599 were requests for increases greater than the percentage guideline of three per cent. This represents a decrease of 15.26 per cent over the 1986 figure of 17,229. Each decision will generally affect the total residential units contained within a building. The rent review process is the same for either a single family home, a multiple unit apartment building or a mobile home park.

A total of 1999 decisions were rendered by the Officers in 1987, while 7.85 per cent of these were appealed to the Commission. The number of decisions appealed over the past few years has been steadily decreasing in proportion to the decreasing number of applications in excess of the percentage guideline. As well, landlords and tenants have become more familiar with the legislation and the review process.

During the year 1987, there were 19,638 phone calls received which were handled by the Rent Review staff. Though this represents a 15.08 per cent decrease from 1986, the decrease is directly proportionate to the decrease in applications in excess of the statutory guidelines increase for the same period.

Throughout the year, division staff participated in a number of training sessions and seminars for the real estate industry and property owners.

The Appeal Division of the Supreme Court of Nova Scotia ruled on one of the Rent Review Commission's decisions. This ruling held that rental units that had been extensively renovated, but not to the extent that a different residential premises has been created, could not be considered exempt from the Rent Review Act under the current exemption regulation.

RESIDENTIAL TENANCIES DIVISION

The Residential Tenancies Division is responsible for the Residential Tenancies Act, the Condominium Act and the Rental Property Conversion Act, and their day-to-day administration. It coordinates the activities of the eight regional tenancies offices and administers business matters pertaining to the incorporation of condominiums.

The Residential Tenancies Act establishes rights and obligations for landlords and tenants with respect to rented residential premises, and it sets out remedies when rights are abused. Disputes between landlords and tenants are documented in a written complaint(s) and assigned to a Residential Tenancy Officer for mediation.

If no agreement is reached during mediation, the dispute is referred to a Residential Tenancies Board by the complainant in the form of a summary application to the County Court. The court then refers the matter to a Residential Tenancies Board for a hearing. A report containing recommendations is made by the board to the court for a decision. The parties have seven business days in which to file a notice of objection with the court. The matter then becomes a County Court matter, and the parties are advised to retain legal counsel.

The Standard Form of Lease came into effect on February 1, 1985. It provides that certain standard terms apply to all leases and makes the terms of the tenancy clear to both landlord and tenant. The Standard Form of Lease is to be used in all written tenancy agreements and is produced in duplicate to provide copies for both parties.

If a lease is signed that does not contain the standard terms they are still applicable. The standard terms of the lease are applicable where there is no written lease.

During the fiscal year 1987/88, 30 new condominium corporations were registered involving a total of 1029 units; 893 were residential, two were commercial and 134 were for parking. At March 31, 1988, a total of 146 corporations had been registered involving 5,108 units of which 4,895 were residential, 79 commercial and 134 for parking. Thirty by-laws or amendments to by-laws were registered and an average of 274 calls were received each month during the fiscal year 1987/88. The revenue generated from registration of corporations and by-laws was $214,804.00.

Of the 146 corporations registered, 139 are located in the Halifax/Dartmouth area; two in Kings County with 24 residential units; two in Lunenburg County with 12 residential units; one in Annapolis County with six residential units; one in Pictou County with 22 units and one in Colchester County with 18 units.

FINANCIAL INFORMATION

Expenditures

Program Description	1986/87 Actual	1987/88 Estimate	1987/88 Actual
Administration	399,225	442,200	[illegible],362
Consumer Services	897,156	1,064,100	1,054,017
Residential Tenancies	664,893	785,300	770,209
Insurance	215,237	210,900	207,553
Amusements Regulation	483,061	578,500	580,359
Credit Union	416,890	627,100	622,929
Rent Review	540,989	611,700	609,836
TOTAL	3,617,451	4,319,800	4,292,265

Revenue

Program Description	1986/87 Actual	1987/88 Estimate	1987/88 Actual
Administration	17,297	10,000	1,487
Consumer Services	243,142	215,000	220,186
Insurance	17,900,474	15,355,000	16,882,856
Amusements Regulation	5,209,839	4,955,000	5,409,648
Condominiums	132,726	90,000	212,628
TOTAL	23,503,518	20,635,000	22,726,805

STATISTICAL INFORMATION

AMUSEMENTS REGULATION DIVISION

Number of Films Screened by Type of Classification

Classification 35mm Films	1986/87	1987/88
General	23	14
Adult	119	136
Restricted	67	56
Rejected	0	0
TOTAL	209	206

Classification 16mm Films	1986/87	1987/88
General	3	2
Adult	2	3
Restricted	0	2
Rejected	0	0
TOTAL	5	7

Classification Video Films	1986/87	1987/88
General	105	291
Adult	373	913
Restricted	388	925
Rejected	10	35
TOTAL	876	2164

Origin of 35mm Films Classified

Country	1986/87	1987/88
United States	140	133
Great Britain	13	10
Canada	10	13
France	6	8
Italy	2	0
West Germany	3	1
Japan	4	5
Soviet Union	0	4
Austria	3	1
Africa	1	0
China	3	1
Spain	2	1
Other	22	27
TOTAL	209	204

Number of Licenses Issued

Films and Theatres	1986/87	1987/88
Theatres	53	46
Projectionists	90	80
Apprentice Projectionists	13	11
Projection Machines	100	92
Film Exchanges	42	52
Film Certificates	609	1293
Other Licences Issued:		
Itinerant	6	12
Racetracks (horse)	5	3
Festivals (outdoors)	4	5
Places of Amusement *	603	632
Video Outlets	914	1076
TOTAL	2439	3302

*This category includes rinks, arcades, pool halls, bowling lanes, bingo halls, go-cart tracks, amusement parks, etc.

Attendance by Type of Event

Type of Event	Number of Persons 1986/87	1987/88
Theatres (movie and live)	2,145,507	2,183,339
Itinerant shows	371,262	470,032
Lounges, beverage rooms, and cabarets	1,623,474	1,536,896
Boxing, hockey, wrestling and other professional sports	188,775	332,995
Horse racing	49,411	47,893
Other Events	706,651	948,321
TOTAL	5,085,080	5,519,476

CONSUMER SERVICES DIVISION

Percentage of Complaints By Type
April 1, 1987 to March 31, 1988

Type of Complaint	Number	Per Cent
Automobiles	1504	18
Consumer goods & services	1408	17
Contractors	674	8
Mail Orders	543	7
Home furnishings, rugs & drapes	481	6
Direct sellers	468	6
Appliances	437	5
Professional services	334	4
Collection Agencies	340	4
Consumer loans	287	3
Other	1806	22
TOTAL	8282	100

Debtor Assistance
April 1, 1987 to March 31, 1988

Interviews	2915
Consolidation Orders Issued	551
Referrals to bankruptcy	512
Consolidation Orders in Effect	1228

Regulated Industries
April 1, 1987 to March 31, 1988

Licences & registrations issued	6314
Examinations	1096
Licensing revenues	$202,824
Licences cancelled or suspended	3

CREDIT UNIONS AND TRUST COMPANIES DIVISION

Purpose of Loans Granted by Credit Unions For the Year Ended December 31, 1987 (In thousands of dollars)

	Number	Amount ($'000)
Consolidation of debts	9,379	36,770
Auto purchase and repairs	14,409	70,256
Insurance premiums	1,276	916
To make investments	831	2,767
Education	766	1,612
Medical and dental	678	636
Taxes	896	968
Holidays	2,476	4,059
Home repairs and renovations	6,367	23,240
Purchase of real estate:		
New housing	667	12,852
Used housing	590	12,861
Farm	8	81
Other commercial	14	154
Fraternal	1	4
Other	336	3,917
Purchase of equipment:		
Household	3,213	5,098
Farm	174	1,204
Fishermen	191	1,266
Other commercial	192	1,637
Fraternal	2	19
Other	388	1,957
Operating expenses:		
Household	2,539	2,845
Farm	123	666
Fishermen	107	475
Co-operatives	10	200
Other commercial	326	1,473
Fraternal	1	22
Other	1,787	4,183
Miscellaneous loans	26,132	53,620
TOTAL	73,879	245,758

Credit Unions
Consolidated Balance Sheet
December 31, 1987
(with comparative figures for 1986)

	1987		1986	
	$'000	%	$'000	%
ASSETS				
Cash and demand deposits	21,002	5.4	21,316	6.2
Investments				
Central	36,361	9.3	31,637	9.3
Central subsidiaries	22,042	5.6	21,042	6.2
Other	23,290	6.0	14,071	4.1
Loans to members	275,522	70.4	242,459	71.1
Land and buildings	5,218	1.3	3,854	1.1
Furniture and equipment	2,031	0.5	1,855	0.5
Accrued interest	2,200	0.6	2,261	0.7
Other	3,622	0.9	2,606	0.8
TOTAL ASSETS	391,288	100.0	341,101	100.0
LIABILITIES				
Deposits				
Chequing	36,579	9.4	34,000	10.0
Demand	54,378	13.9	50,580	14.8
Term	98,287	25.1	80,640	23.6
RRSP	46,432	11.9	38,430	11.3
Shares	119,051	30.4	108,469	31.8
Total deposits and shares	354,727	90.7	312,119	91.5
Accounts payable	9,718	2.5	8,269	2.4
Loans payable	7,991	2.0	3,459	1.0
Other	353	0.1	612	0.2
TOTAL LIABILITIES	372,789	95.3	324,459	95.1

EQUITY				
Guaranty fund reserve	8,502	2.2	7,397	2.2
Other reserves	3,626	0.9	3,337	1.0
Retained earnings	6,371	1.6	5,908	1.7
TOTAL EQUITY	18,499	4.7	16,542	4.9
TOTAL LIABILITIES AND EQUITY	391,288	100.0	341,101	100.0

Credit Unions
Consolidated Statement of Income
and Retained Earnings
For the Year Ended December 31, 1987
(with comparative figures for 1986)

	1987		1986	
	$'000	%	$'000	%
REVENUE				
Interest				
Loans	34,354	79.7	32,337	80.8
Investments	5,832	13.5	5,105	12.7
Total interest revenue	40,186	93.2	37,442	93.5
Other revenue	2,937	6.8	2,616	6.5
TOTAL REVENUE	43,123	100.0	40,058	100.0
EXPENSE				
Interest				
Deposit	14,193	32.9	13,211	33.0
Borrowings	640	1.5	750	1.9
Total interest expense	14,833	34.4	13,961	34.9
Member security	2,821	6.5	2,585	6.5
Personnel	8,703	20.2	8,036	20.1
Occupancy	1,263	2.9	1,259	3.1
Other operation expense	5,861	13.6	5,441	13.5
Guaranty fund reserve	1,489	3.5	1,156	2.9
Provision for dividends	3,657	8.5	3,155	7.9
TOTAL EXPENSE	38,627	89.6	35,593	88.9
SURPLUS				
before income tax	4,496	10.4	4,465	11.1
Income tax	320	0.7	317	0.8
SURPLUS				
after income tax	4,176	9.7	4,148	10.3

Retained earnings Jan. 1	5,911	7,081
Adjustments	462	198
	10,549	11,427
Allocations to reserves	469	606
Dividends and other distributions to members	3,709	4,913
	4,178	5,519
RETAINED EARNINGS DEC. 31	6,371	5,908

Trust Companies Incorporated in Nova Scotia
Consolidated Balance Sheet
December 31, 1987
(with comparative figures for 1986)

	1987		1986	
	$'000	%	$'000	%
ASSETS				
Cash & short term deposits	12,572	6.9	2,779	44.4
Marketable securities	126,393	69.7	28,787	46.0
Mortgage loans	9,547	5.3	4	0.0
Other	32,835	18.1	599	9.6
TOTAL ASSETS	181,347	100.0	6,260	100.0
LIABILITIES				
Accounts payable	2,020	1.1	35	0.6
Deposit liabilities	135,721	74.9		
Other liabilities	22,746	12.5	168	2.7
TOTAL LIABILITIES	160,487	88.5	203	3.3
SHAREHOLDERS EQUITY				
Capital	20,814	11.5	5,950	95.0
Retained earnings	46	0.0	107	1.7
TOTAL SHAREHOLDERS EQUITY	20,860	11.5	6,057	96.7
TOTAL LIABILITIES & SHAREHOLDERS EQUITY	181,347	100.0	6,260	100.0

Trust Companies Incorporated in Nova Scotia
Consolidated Statement of Revenue
and Retained Earnings
For the Year Ended December 31, 1987
(with comparative figures for 1986)

	1987		1986	
	$'000	%	$'000	%
REVENUE				
Investments	3,635	82.3	76	23.1
Fees and commissions	234	5.3	252	76.9
Other	549	12.4		
TOTAL REVENUE	4,418	100.0	328	100.0
EXPENSE				
Interest incurred	2,612	59.1		
Salaries and benefits	671	15.2	142	43.3
Operating costs	1,003	22.7	176	53.7
Depreciation	57	1.3	12	3.7
Other	100	2.3		
TOTAL EXPENSE	4,443	100.6	330	100.7
Net Loss before income tax	(25)	(0.6)	(2)	(0.7)
Income tax	(13)		16	
Net Loss after income tax	(12)		(18)	
Retained earnings January 1	59		124	
RETAINED EARNINGS DECEMBER 31	47		106	

INSURANCE DIVISION

Number of Insurance Agents and Adjusters Licensed

Type	1986	1987
Resident agents - other than life	1,343	1,193
Resident agents - life	1,803	1,272
Restricted accident & sickness only (including travel agents)	346	178
Non-resident agents - other than life	67	90
Non-resident agents - life	80	89
Resident adjusters	117	110
Non-resident adjuters	17	18
	3,773	2,950

Life Insurance
(In millions of dollars)

	1986		1987	
Class	Insurance In Force	Premiums	Insurance In Force	Premiums
Ordinary	8,655	69	10,090	79
Group	13,731	39	13,087	42
Total	22,386	108	23,177	121

Property & Casualty Insurance

1986

Class	Premiums (In millions of dollars)	Loss (In millions of dollars)	Loss Ratio %
Accident & sickness	129	75	58.1
Property	110	63	57.1
Automobile	166	129	77.9
Miscellaneous	39	12	30.1
Total	444	279	62.8

1987

Class	Premiums (In millions of dollars)	Loss (In millions of dollars)	Loss Ratio %
Accident & sickness	88	80	90.7
Property	119	60	50.5
Automobile	174	149	85.7
Miscellaneous	39	13	32.5
Total	420	302	71.8

RENT REVIEW DIVISION

Applications Received, Calendar Years 1986 and 1987

Applications (Units)	1986 Number	%	1987 Number	%
Over annual guideline	17,229	42.94	14,599	37.80
Under annual guideline	22,897	57.06	24,027	62.20
Total Applications	40,126	100.00	38,626	100.00

Comparison of Applications Received, Calendar Years 1986 and 1987

	1986	1987	% Increase
Total Applications	40,126	38,626	- 3.74
Over Guideline	17,229	14,599	- 15.26
Under Guideline	22,897	24,027	+4.94
Decisions (properties) rendered by Residential Tenancy Officer	2,270	1,999	-11.94
Requests for decision review to Rent Review Commission	205	157	-23.41
Percentage of Officers' decisions appealed	9.03	7.85	
Phone calls received	23,125	19,638	-15.08

In addition to the above figures, the following miscellaneous applications were received. These applications basically were for exempt units and were not counted for statistical purposes.

	1986	1987	% Increase
Misc. Applications	1,352	1,860	+ 37.57

Number of Applications Received by Major Centres (*) in 1986 and 1987

Area	1986	1987
Halifax	30,175	21,256
Dartmouth (*1)		8,020
Truro	3,495	2,528
New Glasgow (*2)		405
Sydney	1,820	1,512
Port Hawkesbury (*3)		503
Kentville	2,471	2,275
Bridgewater	1,231	1,240
Yarmouth	934	887
TOTALS	40,126	38,626
Miscellaneous Applications (*4)	1,352	1,860

(*) Figures include surrounding municipalities and counties.
(*1) Included in Halifax figures for 1986.
(*2) Included in Truro figures for 1986.
(*3) Included in Sydney and Truro figures for 1986.
(*4) Not counted for statistical purposes.

RESIDENTIAL TENANCIES

Activity Breakdown
April 1, 1987 to March 31, 1988

	Requests for Information		Number of
	Telephone	Office Visit	Complaints
Halifax & County West	16,033	2,909	2,300
Dartmouth & County East	4,179	1,982	1,333
Cape Breton & Victoria Counties	3,425	1,279	378
Annapolis Valley	2,209	752	359
Northern Counties	1,939	760	339
Western Counties	1,587	1,031	168
Pictou County	1,255	353	151
South Shore	566	141	126
Strait & Eastern Counties	999	335	126
TOTAL	32,192	9,542	5,280

Complaints Filed
April 1, 1987 to March 31, 1988

	Landlord	Tenant	Total	% of Total Complaints
Halifax & County West	1,337	963	2,300	44
Dartmouth & County East	866	467	1,333	25
Cape Breton & Victoria Counties	188	190	378	7
Annapolis Valley	236	123	359	7
Northern Counties	200	139	339	7
Western Counties	113	55	168	3
Pictou County	87	64	151	3
South Shore	67	59	126	2
Strait & Eastern Counties	71	55	126	2
TOTAL	3,165	2,115	5,280	100

Complaints by Type
April 1, 1987 to March 31, 1988

	Number	% of Total
Unpaid Rent	2,181	41
Non Return of Security Deposit	1,210	23
Notice to Quit	362	7
Condition of Premises	380	7
Damages	266	5
Undue Interference	149	3
Deletion of Services	120	2
Other*	612	12
TOTAL	5,280	100

*Includes Entry doors, Barred access, Leases, Rent overpayment rebates, Rent review, Applications to lease.

Total number of files mediated:	3,284
Overall Percentage of Mediated Files	62.2

CONSUMER AFFAIRS OFFICES

5151 Terminal Road
P.O. Box 998
Halifax, Nova Scotia
B3J 2X3
Phone: 424-4690

Sterns Building
81 Alderney Drive
Dartmouth, Nova Scotia
B2Y 2N7

Provincial Building
Prince Street
Sydney, Nova Scotia
B1P 5L1

176 Archimedes Street
P.O. Box 236
New Glasgow, Nova Scotia
B2H 5E3

Provincial Building
P.O. Box 624
MacSween Street
Port Hawkesbury, Nova Scotia
BOE 2VO

Provincial Building
99 High Street
Bridgewater, Nova Scotia
B4V 1V8

Provincial Building
120 Exhibition Street
Kentville, Nova Scotia
B4N 4E5

Provincial Building
James Street
Antigonish, Nova Scotia
B2G 1R6

Provincial Building
10 Starrs Road
Yarmouth, Nova Scotia
B5A 2T1

58 Willow Street
Truro, Nova Scotia
B2N 4Z6